

Mime-Version: 1.0
Date: Thu, 21 Dec 1995 13:20:13 -0800
To: deanna
From: brewster@wais.com (Brewster Kahle)
Subject: support spinoff or JV? Background

>Date: Thu, 21 Dec 1995 08:18:44 -0800
>To: lenl@aol.com
>From: brewster@wais.com (Brewster Kahle)
>Subject: support spinoff or JV? Background
>
>
>Len,
>
>Good to talk last night. I believe the deal was handed to you early in
>the business dealings since they were shifting rapidly.
>I believe the goal is to quickly handle the ongoing support
>issues around waisserver, or at least that is why I suggested to ted that
>it leave AOL with a support team. (AOL then suggested that I
>leave with this venture, btw.)
>
>I think we have come up with 2 scenarios: Support Spinoff and JV.
>Your suggestion is somewhere inbetween, so I am confused.
>An alternative supported by Barry Schuler is to give the server
>and support to Fulcrum, another search company.
>
>AOL got what it wanted in WAIS Inc: website production. It also got a product
>it no longer wants. Therefore the value in the idea to me is some
>amount of saving face (both AOL's and mine) with important customers.
>Medior has publicly announced the cancelation of WAIS by
>posting a "this site is dead" sign on the WAIS website
>(this should be corrected, but I have not been able
>to effect this).
>
>I see Bruce Gilliat as key in this, but he is a wild card.
>This will be up to AOL to negotiate. (All of this is complicated by
>distance)
>
>
>***Support Spin-off: Mike suggestion**
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>There is not much value in supporting a dying
>product (but it could possibly be revived). AOL wants it supported and
>brewster is willing to do it.
>This is my interpretation behind Mike's suggestion:
>support it and it is yours-- part as friends--
>if the future if we can work together, great.
>
>
>*** Joint Venture: Ted's suggestion**
>
>AOL invests a number of good people, manages that investment,
>Brewster funds it, and maybe something nifty will happen.
>I think it would take a 1/2 - 1 person at AOL to
>make a success of a JV (I would guess it is as hard
>as bringing in an acquisition).
>I suggested that person start off me, but if I go with it,
>then maybe the AOL owner
>should be David Gang or Barry Appelman.
>
>What you talked about seemed like a support spinoff
>where aol keeps 1/3. Why would a new

>company want to give up 1/3 of its
>equity just for the support obligation?
>
>At this point, I suggest we go with Mike's suggestion or the Fulcrum option.
>
>Since my departing seems to have been discussed by the exec staff,
>I suggest I leave in 2 weeks.
>This could help make sure this issue does not
>unduly distract the staff. If my leaving
>in 2 weeks does not help, I will take back this offer.
>
>If we are to part, lets part as friends.
>
>This may need more discussion to make sure we are talking
>about the same thing. phone 203-245-8644, cell: 415-608-3436.
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>-brewster
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